

## CITY OF MOUNTAIN VIEW MEMORANDUM

DATE: November 7, 2002

TO: City Council

FROM: Ron Geary, Deputy Community Development Director for Building and Safety

SUBJECT: NOVEMBER 12, 2002 STUDY SESSION—COUNCIL MOBILE HOME PARKS AD HOC COMMITTEE RECOMMENDATIONS

---

### **PURPOSE**

The purpose of the study session is: (1) to provide the Council with background on the process that was followed by the Mobile Home Parks Ad Hoc Committee in studying the issues involving the owner and residents at Santiago Villa and Sahara Village Mobile Home Parks; (2) highlight the major areas of resident concerns identified during the Committee's investigation; and (3) provide the Council the opportunity to discuss the recommendations developed by the Committee to be formally brought back to the full Council at a public hearing.

The Committee's recommendations include the following:

- Coordinating an Information/Resources Faire.
- Holding an annual Council Neighborhoods Committee (CNC) meeting with the mobile home park residents.
- Establishing resident committees.
- Performing an audit-analysis of Santiago Villa and Sahara Village Mobile Home Parks.

### **BACKGROUND**

On October 9, 2001, the City Council selected a process and created the Council Mobile Home Parks Ad Hoc Committee to address issues at the Santiago Villa and Sahara

Village Mobile Home Parks (Attachment 1). At the November 20, 2001 meeting, the Committee authorized staff to identify and engage a facilitator to work with park residents in order to prepare a report that defined the concerns and issues between the owner and residents of the two parks. Project Sentinel was selected to facilitate the two park resident meetings held in January 2002. Project Sentinel submitted the Report to the Mountain View City Council Ad Hoc Committee on Mobil Home Parks—Santiago Villa and Sahara Village Parks in February 2002 (Attachment 2).

The report was reviewed at the Ad Hoc Committee's February 15, 2002 meeting (Attachment 3). Staff then met with the owner of the two parks, Mr. John Vidovich, to discuss both the draft report and issues identified by the Committee. On July 25, 2002, the Committee reviewed Mr. Vidovich's responses to the draft report and took additional testimony from 16 park residents and Mr. Vidovich (Attachment 4). Prior to developing a final set of recommendations for the Council, the Ad Hoc Committee requested information on: (1) the issues related to competitive rents and the relationship between rent increases and utilities; (2) options for providing legal and referral services to park residents; and (3) options for improving communication with the park owner's management. The requested information was presented to the Committee at the September 12, 2002 meeting (Attachment 5). The Ad Hoc Committee then adopted four recommendations outlined in this report to be forwarded to the full City Council (minutes attached).

### **AD HOC COMMITTEE ISSUES**

The three primary areas of resident concern that were identified in the mobile home parks report centered on rent, park management and park maintenance/infrastructure.

#### **Rent Information**

The Committee reviewed information related to the increase in rent and utility costs to residents of Santiago Villa and Sahara Village from 1998 to 2002, turnover rents and monthly rent comparisons for comparable parks in Mountain View. The average 2001 space rents in Santiago Villa and Sahara Village are in the range of \$500 to \$600 per month, excluding rents for spaces which have turned over. Rent for turnover spaces range from \$820 to \$1,024 and are subject to the same annual rent increases as the rest of the park. The annual rent increase for all spaces was 5 percent for 1998, 1999, 2000 and 2001 (through August 31). The annual rent increase rate at Santiago Villa and Sahara Mobile Home Parks was dropped to 3 percent beginning in September 2001 and, according to the owner, will remain at that rate through 2003. This reduction to 3 percent occurred after the addition of the sewer and water charges in May 2000 and February 2001, which had previously been included in the base rent. Currently, all the

utilities are broken out from the space rent on the monthly statement. This is also the typical billing process for the other parks surveyed in Mountain View.

The issue of turnover rent increases was a primary concern of the residents both prior to and during the Committee's investigation of the parks' rental policies. The owner provided a letter dated July 18, 2002 (Attachment 6) that reaffirmed his policy of not raising turnover rents beyond \$795 through 2003. The policy of freezing turnover rent at \$795 included the provision that existing rents above \$795, created incrementally prior to July 2002 when the turnover rent increased to \$995, would remain in place but would be subject to future annual cost-of-living adjustments. Recognizing this is a key issue given the current economy, Mr. Vidovich (Attachment 7) has proposed to freeze all rents that are above the current turnover rental rate of \$795 at existing levels for five years. The result would be that if a resident's current rent is at \$795 or higher, they would not receive a cost-of-living increase in that rate for the next five years.

### Condition of the Parks

The Committee heard testimony from residents of the parks that management was too rigid on enforcement of park rules with respect to maintenance and, in particular, with respect to requiring certain improvements to be made to the coaches before they could be sold. The park owner's position is that the intent is to keep the park in a well-maintained condition, and part of that responsibility is the residents'. Staff conducted a drive-through survey of the four largest parks, including the two owned by Mr. Vidovich. What staff determined from this survey is that all four parks are well-maintained. The level of maintenance and attention to detail is present in both the common areas, which are maintained by park ownership, as well as the individual spaces that are maintained by the residents. The level of maintenance at the Sunrise and Frontier parks appears to be higher than at Santiago Villa and Sahara Village, both owned by Mr. Vidovich.

### Resident Committees

Some of the public testimony evidenced a concern about the effectiveness of a resident committee created to work with park owners on behalf of residents. The Committee shared this concern. The concerns ranged from feelings by residents that there was never a formal park committee, the size of the resident committee was too small and/or that the committee lacked power or "teeth." The Committee asked staff to come back with alternatives to either strengthen the resident committee, provide it with greater authority or enforcement capability, or an alternate format which would work. The following alternatives were purposed: (1) expand the resident committee(s) to five members; (2) incorporate Project Sentinel mediation services in the process; and (3) support the resident committee format with both Project Sentinel and a contract

legal assistance agency or law firm. There is obviously an endless number of variations on the makeup and responsibility of the resident committee. Comments made at the Committee's last meeting were generally complimentary toward the Project Sentinel approach supplemented with a contract legal assistance agency or law firm.

### Management Style

The Ad Hoc Committee felt there was clear evidence that intimidation does occur, intentional or not, and that one of the Ad Hoc Committee's chief responsibilities was to study the factual underpinnings of this concern and report to the Council on possible solutions. One of the ideas was to offer a resources faire to the residents and, at the same time, consider offering training to park management. In large measure, however, because many of the reports of intimidation did not have a legal basis, it will, in the end, require a commitment by park ownership to avoid such practices. If intimidation does exist, the Ad Hoc Committee recommendations are designed to provide an effective means to discourage such conduct.

### **MOBILE HOME PARK ZONING DESIGNATIONS**

Currently, in Mountain View there are six mobile home parks that are zoned R2-M (Mobile Home Park) District and have a Mobile Home Park General Plan designation (refer to the attached map). As discussed at the July 25, 2002 Ad Hoc Committee meeting, any conversion of these parks would require Council public hearings and approval to change the zoning and General Plan designations. If the City approved a rezoning, a Conversion Impact Report would be prepared, and the Council could require mitigation measures for any conversions. In addition to these six parks, there are three small (10 to 20 units) parks in Mountain View. These three parks are zoned for medium- or high-density residential use rather than mobile home park use and were not given a Mobile Home Park General Plan designation when the Mobile Home Park designation was adopted as part of the 1992 General Plan. Conversion of these three parks may not require Council public hearings for closure since the parks are already zoned for multiple-family residential development, and each project would have to go through the City's development review process. This would provide the opportunity during the zoning hearing for conditions relating to tenants' rights, such as relocation assistance, to be addressed and added to the project approval.

## **RECOMMENDATIONS**

The Ad Hoc Committee developed and adopted the following recommendations at the September 12, 2002 meeting:

1. **Information/Resources Faire**

The City would take the lead in coordinating an Information/Resources Faire for the park residents of all the mobile home parks in the City. This event would target all park residents but would emphasize providing information and identifying regional resources available for senior residents in mobile home parks. Staff could work with Project Sentinel to host the faire that would be held in the clubhouse meeting areas of either Santiago Villa or Sahara Village. Participants would include legal and financial resources available to park residents, such as the County Financial Abuse Team (Fast Team) and Senior Adults Legal Assistance (SALA); mediation services; social service; and law enforcement agencies such as Community Services Agency (CSA) and California Mobile Home Resource and Action Association. Staff would organize and manage this event which could be scheduled as directed by the Council when they act on the Ad Hoc Committee's recommendations.

2. **Hold An Annual Neighborhood Meeting With Mobile Home Park Residents**

Utilizing the Council Neighborhoods Committee (CNC), Community Development staff would develop a process and coordinate a yearly meeting(s) for all the mobile home park residents in the City. This meeting(s) would be formatted in the same manner as current neighborhood meetings held with the CNC and would be in addition to the three yearly meetings that are currently scheduled. The issues identified at this meeting would be presented to the City Council and could be forwarded by the Council to the State Department of Housing and Community Development (who have jurisdiction over mobile home parks) for possible legal and enforcement action.

3. **Establish Resident Committees**

Consultants would be hired to help park residents establish an elected committee consisting of five members that would represent the residents in negotiating and/or resolving park management, rental and legal issues with the owner. The election process and committee would be verified by the City Council on a yearly basis. This committee would have the resource of both an outside mediation service and contract legal service, as necessary, to resolve those issues that could not be satisfactorily resolved through the normal administrative process estab-

lished by the owner and elected committee in the parks. The CNC would be the liaison between the elected committees and the City Council.

4. Audit-Analysis: Santiago Villa and Sahara Village Mobile Home Parks

The final recommendation from the Committee was to have a consultant specializing in mobile home parks hired to perform an in-depth audit and assessment of both Santiago Villa and Sahara Village Mobile Home Parks. This audit-analysis would evaluate the parks' management and operational practices, administrative policies, rent structure (including turnover rents), park maintenance and infrastructure programs, and budgets. It would compare these parks to other local and regional parks to provide a better understanding of the context in which the current concerns and issues developed. The purpose of this audit report and recommendations would be to provide the Council with background and direction for possible next steps that could be taken by the City to improve conditions at both Santiago Villa and Sahara Village.

Implementation Cost

The projected cost, both in terms of funding and Community Development staffing for implementing and managing the programs that would be developed to support the Ad Hoc Committee's recommendations, would be shared by the parks' owner, Mr. Vidovich, and the City. Mr. Vidovich has agreed to fund the cost for Project Sentinel to provide services in the following areas:

- To work with City staff to coordinate the Information/Resources Faire. Mr. Vidovich has also agreed to provide the food and refreshments for the faire, as well as making his community rooms available to hold the faire in. \$4,000
- Development of a program to identify and work with potential resident committee members, oversee the selection process, organize meetings and monitor the interactions between the park resident committees and management. Project Sentinel would also provide mediation services for one year as a component of the City oversight function, which would also include a contract with a legal services agency or law firm that would be available to address those issues that could not successfully be resolved through mediation. \$20,000-\$25,000

**Total Cost funded by owner**

**\$24,000-\$29,000**

#### Legal Services:

The cost to the City for funding a public interest law firm for the first year to participate in the resident committee process is estimated to be \$10,000 based on a billing rate of \$100 per hour with 100 hours of projected legal support being made available to the park committees representing the residents. This cost could be directly affected by the number of disputes between park residents, the park committees and the owner that could not be successfully mediated utilizing Project Sentinel.

#### Santiago Villa—Sahara Village Audit:

The Committee also recommended that a consultant specializing in mobile home parks be hired to provide the City with a full audit and analysis of Santiago Villa and Sahara Village's operational and administrative policies, annual and turnover rent structure, and park infrastructure and maintenance policies and programs. The audit would also provide comparative rent and property valuation data for both City and regional mobile home parks, including those that currently operate under a rent control program such as San Jose, Hayward and Fremont. The report and its recommendations would be presented to Council to provide the basis for determining the direction on the next steps the Council might take to improve the conditions at these parks. Staff spoke to three firms that could provide this type of audit as well as representatives of the City of Fremont. The City of Fremont undertook a similar audit in 1999 as background for developing their mobile home park rent control ordinance. The cost of Fremont's audit-analysis (performed by Seifel Consulting, Inc.) was \$52,000. The city attorney of Fremont suggested that a similar study performed today should probably be budgeted at approximately \$70,000. Discussions with the consultant firms of Bessire & Casenhiser, Evans Management Services and Newport Pacific Capital Company, Inc. collaborated the Fremont recommendations that an in-depth audit-analysis of Santiago Villa and Sahara Village would be in the range of \$30,000 to \$70,000, depending on the final scope of work.

#### Staffing Impact:

The staffing support from Community Development that will be required to coordinate and support the programs associated with the Ad Hoc Committee recommendations can be broken down into two categories. The first category would cover the coordination and administrative support relating to working with Project Sentinel for the Information/Resources Faire and the management of the consultant contract for the mobile home parks audit-analysis. The range of staff time estimated to provide this support would be 100 to 120 hours. The second area of support would be associated with: (1) the new resident committee format that would be developed with Project Sentinel and utilizing the CNC as the liaison between the park residents and the

Council; and (2) coordinating and managing annual neighborhood meetings for all the mobile home parks in the City under the direction of the CNC. The range of staff time estimated to provide the coordination and administration for these initiatives is 350 to 400 hours per fiscal year. The total estimated staff time required for this fiscal year to implement the Ad Hoc Committee's recommendations as proposed is 450 to 520 hours. Providing this level of staff support given Community Development's current workload would require a significant reprioritization of current staff workload.



## **SUMMARY**

On October 9, 2001, the City Council selected a process and created the Council Mobile Home Parks Ad Hoc Committee. At the direction of the Committee, resident meetings were held at Santiago Villa and Sahara Village Mobile Home Parks from which the Report to Mountain View City Council Ad Hoc Committee on Mobile Home Parks was developed. That report was reviewed and discussed by the Committee at four meetings held between November 2001 and September 2002. After extensive public input and Committee discussion, the Committee developed the four recommendations as outlined in this report.

## **NOTICING**

This Council Mobile Home Parks Ad Hoc Committee meeting has been noticed via written notice to all prior attendees of the Ad Hoc Committee and Council meetings, agenda posting and a hand-delivered notice to each resident of the Santiago Villa and Sahara Village Mobile Home Parks, and hand-delivered notices to the other mobile home parks in the City.

Prepared by:

Approved by:

Ron Geary  
Deputy Community Development  
Director for Building and Safety

Nadine P. Levin  
Assistant City Manager

RG/4/CAM  
884-11-12-02M-E^

- Attachments:
1. October 9, 2001 Council Agenda
  2. Project Sentinel—Ad Hoc Committee Mobile Home Park Report
  3. February 15, 2002 Ad Hoc Committee Staff Report
  4. July 25, 2002 Ad Hoc Committee Staff Report
  5. September 12, 2002 Ad Hoc Committee Staff Report
  6. John Vidovich Letter Dated July 18, 2002
  7. John Vidovich Letter Dated September 30, 2002
  8. Mobile Home Parks Map
  9. Ad Hoc Committee July 25, 2002 Meeting Minutes